## OFFICE OF GOVERNOR RONNIE MUSGROVE INTEROFFICE MEMORANDUM

**TO:** GOVERNOR

**FROM:** SMITH

**SUBJECT:** MEDICAID STATE PLAN AMENDMENTS

**DATE** 8/16/02 **CC:** FILE

The Division of Medicaid has requested your signature on the attached 2 state plan amendments.

State Plan Amendment #2002-19 makes technical corrections to make the following changes to the State Plan:

- Correct the reference to state law for administrative hearings on appeals
- Correct the specification of use of the Treasury Bond Composite for property rental using the rate for the second year preceding the beginning of the rate period. (The composite currently required is not available in time to set rates)
- Correct the procedure of calculation of the gross rental rate to use the Treasury Bond Composite instead of the Medicare rate- the practice as changed is consistent with nursing facilities and PRTF's and has been in use since 1993.

State Plan Amendment #2002-20 allows Medicaid to revise the wording that states changes <u>will</u> be made to the rates in state or federal law or regulation to changes <u>may</u> be made to the rates for ICF-MR's and PRTF's.

Please check approved, date and sign the last sheet of both of the attached.